



April 19, 2010
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Arnold Schwarzenegger
Governor

Mr. Jason Buckingham
Golden Sierra Job Training Agency
11549 F Avenue
Auburn, CA 95603

Dear Mr. Buckingham:

WORKFORCE INVESTMENT ACT
PROGRAM REVIEW
FINAL MONITORING REPORT
PROGRAM YEAR 2008-09

This is to inform you of the results of our review for Program Year (PY) 2008-09 of the Golden Sierra Job Training Agency's (Golden Sierra) Workforce Investment Act (WIA) 85-Percent program operations. We focused this review on the following areas: Workforce Investment Board and Youth Council composition, local program monitoring of subrecipients, management information system/reporting, incident reporting, nondiscrimination and equal opportunity, grievance and complaint system, and Youth program operations including WIA activities, participant eligibility, and Youth services.

This review was conducted by Mr. Larry Yanni from December 15, 2008, through December 19, 2008.

Our review was conducted under the authority of Sections 667.400 (a) and (c) and 667.410 of Title 20 of the Code of Federal Regulations (20 CFR). The purpose of this review was to determine the level of compliance by Golden Sierra with applicable federal and state laws, regulations, policies, and directives related to the WIA grant regarding program operations for PY 2008-09.

We collected the information for this report through interviews with Golden Sierra representatives, service provider staff, and WIA participants. In addition, this report includes the results of our review of selected case files, Golden Sierra's response to Sections I and II of the Program On-Site Monitoring Guide, and a review of applicable policies and procedures for PY 2008-09.

We received your response to our draft report on March 13, 2009, and reviewed your comments and documentation before finalizing this report. Because your response

adequately addressed finding one cited in the draft report and we consider the issue resolved. Additionally, your response adequately addressed finding two. However, we cannot close this issue until we receive the supporting documentation indicating that the remaining two members of the Youth Council have been appointed. Until then, this finding is assigned Corrective Action Tracking System (CATS) number 90075. In addition, finding three will remain open and has been assigned CATS number 90076.

BACKGROUND

Golden Sierra was awarded WIA funds to administer a comprehensive workforce investment system by way of streamlining services through the One-Stop delivery system. For PY 2008-09, Golden Sierra was allocated: \$671,089 to serve 130 adult participants; \$681,257 to serve 45 youth participants; and \$1,209,892 to serve 115 dislocated worker participants.

For the quarter ending December 2008, Golden Sierra reported the following expenditures for its WIA programs: \$42,822 for adult participants; \$159,908 for youth participants; and \$62,159 for dislocated worker participants. In addition, Golden Sierra reported the following enrollments: 94 adult participants; 73 youth participants; and 64 dislocated worker participants. We reviewed case files for 30 of the 231 participants enrolled in the WIA program as of December 15, 2008.

PROGRAM REVIEW RESULTS

While we conclude that, overall, Golden Sierra is meeting applicable WIA requirements concerning grant program administration, we noted instances of noncompliance in the following areas: Local Workforce Investment Board, Youth Council, and Literacy and Numeracy Test Reporting. The findings that we identified in these areas, our recommendations, and Golden Sierra's proposed resolution of the findings are specified below.

FINDING 1

Requirement: WIA 117(b)(2)(A)(iii) states, in part, that the membership of each Local Board shall include representatives of labor organizations.

20 CFR Section 661.315 states, in part, that membership of Local Boards must contain two or more members representing the categories described in WIA Section 117(b)(2)(A), including labor representatives. Additionally, the majority of the board must be representatives of business in the local area.

SB 293 states, in part, that UI Code 14202 (c) added as required Local Workforce Investment Board (LWIB) members representatives of labor organizations nominated by local labor federations, including a representative of an apprenticeship program. At least 15 percent of local board members shall be representatives of labor organizations unless the local labor federation fails to nominate enough board members shall be representatives of labor organizations.

Observation:

We observed that the 22 member Golden Sierra Workforce Investment Board (WIB) does not have the required 15 percent labor representation. Golden Sierra WIB is in the process of obtaining nominees. Golden Sierra currently has one labor representative; to achieve a 15 percent labor representation, Golden Sierra needs to appoint two more labor representatives.

Recommendation:

We recommended that Golden Sierra provide Compliance Review Office (CRO) a corrective action plan (CAP) along with a timeline for filling those vacancies while maintaining a business majority. Additionally, we recommended that Golden Sierra provide documentation of these appointments to CRO.

Golden Sierra Response:

As of June 1, 2009, Golden Sierra provided the WIB roster and meeting minutes demonstrating that the labor representatives were appointed.

State Conclusion:

We consider this finding resolved.

FINDING 2**Requirement:**

20 CFR Section 661.335 states, in part, that the membership of each youth council must include members who represent

local public housing authority, parents of eligible youth seeking assistance, and former participants.

Observation: Golden Sierra's Youth Council does not include the following three members: local public housing authority, parents of eligible youth seeking assistance, and former participants.

Recommendation: We recommended that Golden Sierra provide the CRO with a CAP, and timeline, for expanding the Youth Council to include the required members noted above.

Golden Sierra Response: Golden Sierra stated that they are actively recruiting for the members to fill the following vacancies on the Youth Council: local public housing authority, parents of eligible youth seeking assistance, and former participants. As of January 21, 2010, Golden Sierra has filled one position for the local public housing authority. However, this issue will remain open due to the remaining two vacancies on the Youth Council as noted above.

State Conclusion: Again, we recommend that Golden Sierra provide CRO with a copy of the Youth Council roster indicating that the remaining two members of the Youth Council have been appointed. Until then, this issue remains open and has been assigned CATS number 90075.

FINDING 3

Requirement: WIA Section 136 states, in part, that the purpose of this section is to establish a comprehensive performance accountability system, comprised of the activities described in this section, to assess the effectiveness of States and local areas in achieving continuous improvement of workforce investment activities funded under this subtitle to optimize the return on investment of Federal funds in Statewide and local workforce investment activities.

WIA Section 136(b)(2)(A)(ii)(I) states, in part, that the core indicators of performance (for participants who are eligible youth age 14 through 18) for youth activities shall include attainment of basic skills.

20 CFR Section 667.300(b)(1) states, in part, that a State or direct grant recipient may impose different forms or formats, shorter due dates, and more frequent reporting requirements on subrecipients.

Training and Employment Guidance Letter (TEGL) No. 17-05 states, in part, that for a participant to be included in the literacy and numeracy gains measurement the participant must demonstrate on a post-test that he/she has advanced one or more educational functioning levels beyond the level in which he/she was initially placed at pre-test within one year from the date of first youth program service. Additionally, while states, grantees, or contractors are not required to use the same assessment tool throughout their jurisdiction, the following must be adhered to in choosing an assessment tool: (1) the same assessment tool must be administered to the participant for pre-testing and post-testing and (2) tests must be administered in a standardized manner throughout the jurisdiction (i.e. used consistently and reliably across programs and produce observable results). Finally, programs must use one of the assessment tools listed in Attachment C – Educational Functioning Level Descriptors or submit a request to the Department of Labor to use an assessment tool not listed in Attachment C.

Additionally, TEGL 17-05 states, in part, that the assessment instrument is the data source to be used to measure literacy and numeracy gains.

TEGL No. 17-05 Attachment C – Educational Functioning Level Descriptors lists the following approved assessment tools: Adult Basic Learning Examination (ABLE), Test of Adult Basic Education (TABE), Comprehensive Adult Student Assessment System (CASAS), Basic English Skills Test (BEST), and WorkKeys.

The CASAS website <https://www.casas.org/home/> states, in part, that appraisal tests are the initial assessment instruments of the CASAS system. The appraisal aids in the placement of learners into instructional programs and levels within those programs. A CASAS pretest can be administered based on the appraisal score. Progress is then monitored after a specified amount of instructional time with a post-test.

Pre- and post-tests are designed to monitor progress within an instructional level. Appraisals are not appropriate for pre- and post-testing.

WIAD04-17 states, in part, that all recipients of WIA funds will submit client data via the Job Training Automation (JTA) system complying with the specifications for each data field.

Observation:

We found that Golden Sierra's Roseville youth provider is using the CASAS appraisal test for all steps of its youth literacy and numeracy testing process: appraisal, pre- and post-test. Therefore, the literacy and numeracy test scores reported by Golden Sierra to the JTA system are based on the improper use of the CASAS appraisal test for pre- and post-testing.

Recommendation:

We recommended that Golden Sierra review its literacy and numeracy scores reported for PYs 2007-08 and 2008-09, back-out any pre- and post-test scores based on the improper use of the CASAS for appraisal testing, and provide documentation of its action. Additionally, we recommended that Golden Sierra provide a CAP to address how currently enrolled and future youth participants' literacy and numeracy gains will be appropriately measured and reported.

Golden Sierra Response:

Golden Sierra stated that they are actively reviewing the requirements of the CASAS test.

State Conclusion:

Due to the timing of the finalization of this report and the States position on the CASAS testing requirements, we will not require Golden Sierra to back-out any pre- and post-test scores for PY 2008-09 based on the improper use of the CASAS for appraisal testing. However, the subsequent review on February 1, 2010, identified that Golden Sierra's subrecipients are still administering the CASAS test improperly. The required corrective action will be discussed in the resulting report from the February 2010 review. Therefore, this issue remains open and has been assigned CATS number 90076.

Because the methodology for our monitoring review included sample testing, this report is not a comprehensive assessment of all of the areas included in our review. It is Golden Sierra's responsibility to ensure that its systems, programs, and related

Mr. Jason Buckingham

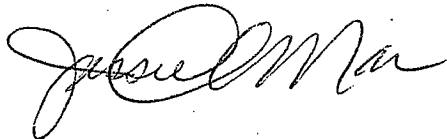
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activities comply with the WIA grant program, federal and state regulations, and applicable state directives. Therefore, any deficiencies identified in subsequent reviews, such as an audit, would remain Golden Sierra's responsibility.

Please extend our appreciation to your staff for their cooperation and assistance during our review. If you have any questions regarding this report or the review that was conducted, please contact Ms. Mechelle Hayes at (916) 654-1292.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jessie Mar".

JESSIE MAR, Chief
Compliant Monitoring Section
Compliance Review Division

cc: Linda Beattie, MIC 50
Greg Gibson, MIC 50
Jose Luis Marquez, MIC 50
Daniel Patterson, MIC 45